

CHARTER TRUSTEES FOR THE CITY OF DURHAM

21 January 2014

Asset Register – Report of Working group



City of Durham

Report of Bryan Smith, Clerk to the Charter Trustees

Purpose of the Report

To inform Charter Trustees of the meeting of the working group to review the need for a register of assets and the recommendations arising therefrom.

Background

1. On 27 November 2014 the working group comprising Mayor Councillor John Robinson, Deputy Mayor Councillor Patrick Conway, Councillor Grenville Holland and Councillor Joe Buckham and advised by the Clerk met at County Hall.

2. The group discussed the need for a register of assets held by the Charter Trustees. This arose from a recommendation contained in the Issues Arising Report of BDO LLP following the external audit of the Charter Trustees for the City of Durham year ending 31.3.14 whose recommendation was:

“The body must compile an asset register as soon as possible or in any event before the end of the current financial year. This register should be verified by the Internal Auditor in their annual review of the internal controls of the body. An asset register should be in existence to help ensure that the recorded value of assets and investments is, as far as possible, accurate and to ensure the body is safeguarding its assets.”

3. The group reviewed the previous history of communications between Durham County Council and the Charter Trustees in 2010 and culminating in the Report of the Clerk to and the Minutes of the meeting of the Charter Trustees on 19.7.11. In particular the group reviewed the written opinion of His Honour Judge Richard Lowden QC, the Honorary Recorder at the time, and the Schedule or inventory of assets with colour coding referred to in the earlier correspondence.

4. The Clerk outlined that the Charter Trustees Regulations 2009 sets out that any “historic property” which relates to the Charter Trustee area would, on the reorganisation date, vest in those Charter Trustees.

“Historic property” is defined in the Regulations to mean “...any charter, insignia, plate or other property which is of an historic and ceremonial nature, held by a predecessor council, other than -

- (a) *land and buildings, and*
- (b) *any property held for the purposes of any statutory function.”*

5. The County Council had previously proposed that all items coloured blue on the Schedule were historic and ceremonial and should vest in the Charter Trustees whereas all items coloured red would vest in the County Council but be subject to an agreement with the Charter Trustees that they would be preserved at the Town Hall.

6. The Charter Trustees had previously not agreed the proposal about the red items and had requested the Council to vest all items in the Charter Trustees under Regulation 3(2) and Regulation 5 of the 2009 Regulations relating to all historic and/or ceremonial property.

7. However, as there had been no agreement within the first twelve months after reorganisation all items had remained vested in the County Council.

Following discussion the group agreed the following recommendations be returned to the Charter Trustees at their next meeting.

Recommendations

1. The Schedule of assets be agreed subject to amending items numbered 27 to 30 inclusive on page 5 to be blue. All items coloured blue be accepted as historic and ceremonial and vest in the Charter Trustees.

2. Accept the County Council's offer to agree written terms whereby all property identified as red in the schedule be preserved at the Town Hall in trust and in perpetuity for the benefit of the community and the people of Durham City.

3. Request the County Council to carry out a valuation process of all items on the Schedule in conjunction with the internal auditor for the purposes of insurance arrangements.

4. Request the County Council to arrange block insurance cover for all items held at the Town Hall for appropriate risks and at suitable valuation and to recharge the Charter Trustees for their contribution towards its share of the premium.

5. Note items coloured green are in the ownership of the Freeman of Durham and those coloured yellow are in the ownership of the DLI Trustees, successors to the regiment (the Light Infantry and Rifles) and the MOD. The Clerk to the Charter Trustees will consult with those organisations on their future wishes.

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Appendix 1: Implications

Finance – Potential insurance costs detailed within the report.

Staffing - None specific within the report.

Risk - None specific within the report.

Equality and Diversity / Public Sector Equality Duty - None specific within the report.

Accommodation - None specific within the report.

Crime and Disorder - None specific within the report.

Human Rights - None specific within the report.

Consultation - None specific within the report.

Procurement - None specific within the report.

Disability Issues - None specific within the report.

Legal Implications – Detailed within the report.